

NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES Second Regular Session

23 JUL 17 P2:38

 $\begin{array}{c} \text{SENATE} \\ \text{S. No.} \quad 2310 \end{array}$ 

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Introduced by Senator MARK A. VILLAR

## AN ACT

ESTABLISHING STATE-OF-THE-ART ANIMATION FACILITIES AND INFRASTRUCTURE IN THE PHILIPPINES, TO PROMOTE A COMPETITIVE ENVIRONMENT FOR THE ANIMATION INDUSTRY, AND APPROPRIATING FUNDS THEREFOR

## **EXPLANATORY NOTE**

Animated content is used across various platforms to captivate audiences worldwide and encourage greater appreciation for cultural heritage and creativity. The animation industry has also been experiencing an increase in demand over the years. But while the Philippines takes pride in its exceptional pool of talented artists and animators, funding, competitive and advanced animation production facilities, incentives, training centers, incubation hubs, and studios are lacking in the country.

Most local animation companies struggle to invest in advanced software tools that allow them to produce cutting-edge animation. Due to limited resources, outdated software, and inadequate facilities, local Filipino animators face a trade-off between crafting quality work and meeting budget constraints. Furthermore, only a few studios are in the country and animation training programs are limited. As a result, productivity in the industry is compromised and there is also a skill gap among animators. According to the Animation Council of the Philippines Inc. (ACPI), the animation industry in the

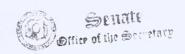
Philippines could increase by 12-15% every year with support from the government <sup>1</sup>. The Philippines can be a recognized leader in the animation industry in the Asia-Pacific region. However, this goal cannot be realized without investments in state-of-the-art animation facilities and infrastructure.

This bill will therefore showcase the talent and creativity of Filipinos on a global scale by creating specialized animation training programs, devising animation development plans, and funding technological resources for the country. Ultimately, this bill will help attract investments, enhance local talent, promote more jobs, and help the Philippines become a competitive force in the animation industry.

In view of the foregoing, the approval of this bill is earnestly sought.

MARK A. VILLAR

<sup>&</sup>lt;sup>1</sup> Ibañez, J. (2020, January 19). *Animation Industry Poised for Transition from Outsourcing to Original Content*. Business World. <a href="https://www.bworldonline.com/special-reports/2020/01/20/276018/animation-industry-poised-for-transition-from-outsourcing-to-original-content/">https://www.bworldonline.com/special-reports/2020/01/20/276018/animation-industry-poised-for-transition-from-outsourcing-to-original-content/</a>



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## **AN ACT**

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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

- Section 1. *Short Title*. This Act shall be known as the "Philippine Animation Industry Development Act of 2023."
- Sec. 2. *Declaration of Policy*. It is hereby declared the policy of the State to encourage creativity, innovation, and competitiveness in the animation industry, by establishing state-of-the-art facilities and infrastructure, creating a conducive environment for the growth and sustainability of animation studios in the country, and incentivizing the production of original content.
- Sec. 3. Animation Industry Development Council. An Animation Industry Development Council (AIDC) is hereby created and shall be attached to the Department of Trade and Industry (DTI), composed of representatives from relevant government agencies, as well as representatives from private animation studios, professional organizations, and educational institutions.

- Sec. 4. *Roles and Responsibilities of the AIDC*. The AIDC shall have the following powers, roles, and responsibilities:
- 3 (a) Formulate a comprehensive and integrated national animation development 4 plan;
- (b) Identify strategic locations for the establishment of animation hubs throughout
  the country;
  - (c) Oversee the construction and management of state-of-the-art animation facilities and infrastructure;
    - (d) Develop training programs and standards for the animation industry;
  - (e) Facilitate the collaboration between the animation industry and educational institutions;
  - (f) Establish mechanisms for research and development that foster innovation in the sector;
    - (g) Implement an incentive program for animation studios and professionals;
  - (h) Promote the animation industry through domestic and international marketing initiatives;
  - (i) Coordinate with relevant government agencies for the enforcement of laws affecting the animation industry;
  - (j) Perform such other functions as may be necessary to achieve the objectives of this Act.
  - Sec. 5. State-of-the-Art Animation Facilities and Infrastructure. The AIDC shall ensure the establishment, development, and maintenance of state-of-the-art animation facilities and infrastructure in strategic locations nationwide, which shall include but not be limited to:
    - (a) Advanced digital animation production facilities;
- 26 (b) Sound stages and recording studios;
- (c) High-speed internet and data storage facilities;
- 28 (d) Cutting-edge software and hardware resources;
- (e) Post-production houses;

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30 (f) Training centers and incubation spaces.

- Sec. 6. *Incentives and Support for Animation Industry Stakeholders*. The AIDC shall develop an incentive program for both local and foreign animation studios, as well as professionals who contribute to the growth of the Philippine animation industry.
- Sec. 7. *Animation Education and Training*. The AIDC, in coordination with the Department of Education (DepEd) and the Commission on Higher Education (CHED), shall create a curriculum for animation and related disciplines in primary, secondary, and tertiary education, as well as specialized training programs in partnership with the Technical Education and Skills Development Authority (TESDA).
- Sec. 8. Funding. An initial amount of One Billion Pesos (Php1,000,000,000.00) is hereby appropriated for the implementation of this Act, subject to subsequent appropriations, grants, donations, and other forms of assistance provided subsequently or other funding sources.
- Sec. 9. *Implementing Rules and Regulations.* Within ninety (90) days from the effectivity of this Act, the DTI, in collaboration with other concerned agencies, shall promulgate the necessary rules and regulations for the effective implementation of this Act.
- Sec. 10. *Separability Clause.* Any portion or provisions of this Act that may be declared unconstitutional or invalid and shall not have the effect of nullifying other portions or provisions hereof as long as such remaining portions or provisions can still subsist and be given effect in their entirety.
- Sec. 11 *Repealing Clause.* All laws, presidential decrees, executive orders, memoranda, circulars, and other issuances, or parts thereof, which are inconsistent with the Act, are hereby repealed or modified accordingly.
- Sec. 12. *Effectivity Clause.* This Act shall be take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,